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REMARKS

Claims 1-4 were pending in the patent application, Claims 5-28 having been withdrawn from consideration. In the Office Action, the Examiner rejected Claims 1-4 under 35 USC 112 and under 35 USC 101.

Specifically, in paragraph 4 of the Office Action, the Examiner has concluded the method claim does not specify the interrelationship among the steps. Applicants respectfully disagree. The steps of Claim 1 include calculating a desired level of risk and return for an efficient portfolio, calculating an actual level of risk and return for the actual portfolio, comparing the actual level to the desired level, and identifying corrective actions to adjust the actual level of risk and return to the desired level of risk and return. Clearly the steps of comparing the actual level to the desired level and of identifying corrective actions to adjust the actual level to the desired level relate to each other and relate to the steps of calculating the desired level and determining the actual level. Applicants respectfully request that the Examiner reconsider the statements found in paragraph 4.1

With regard to step c. which previously recited "evaluating performance", Applicants have amended the claim

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language to simply recite the computer comparing the actual level to the desired level. Applicants have also amended the language to recite "the second value of the actual level of risk and return for the service provider under the current portfolio" to be consistent with earlier language of the claim.

With regard to step d. which previously recited "implementing corrective action", Applicants have amended the claim to recite "identifying at least one corrective action". The Examiner was correct in stating that the corrective action could be implemented by a human being (e.g., adjusting marketing strategy as taught on page 28, lines 9-10). The corrective action may also be implemented by the computer (e.g., changing the degree of multiplexing as taught on page 27, lines 1-2) or the network (e.g., implementing a service discipline as taught from page 16, line 21 through page 17, line 3). What the computer does is identify one or more strategies (i.e., corrective actions) for adjusting at least one of characteristic of the production infrastructure, traffic characteristics, QoS characteristics, or price to dynamically adjust the actual level of risk and return to the desired level of risk and return (page 27, line 21 through page 28, line 23).

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Applicants respectfully assert that the steps are definite, are interrelated, and result in a useful, concrete and tangible result (i.e., recommended corrective actions).

Applicants believe that the amendments to Claim 1 address all of the Examiner's concerns and place all of the remaining claims, Claims 1-4, in condition for allowance. Applicants respectfully request entry of the amendments, reconsideration and withdrawal of the objections and 112 rejections, and issuance of the claims.

Respectfully submitted,

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